

COMMISSIONERS APPROVAL

CHILCOTT

LUND *Bta*

THOMPSON *ar*

TAYLOR (Clerk & Recorder)

Date.....May 15, 2006

Members Present.....Commissioner Greg Chilcott and
Commissioner Betty Lund

Minutes: Glenda Wiles

Commissioner Alan Thompson was in Sacramento, California for a WIR Conference.

The Board met for various administrative matters, which included the following:

Commissioner Lund made a motion to accept the herbicide bid for the right-of-way spraying from Bitterroot Spraying. Commissioner Chilcott seconded the motion and all voted "aye".

Commissioner Lund made a motion to approve the following resolutions for fiscal year 2006 budget year:

- ✓ Resolution No. 1857 in the Treasurer's Office for \$235.00
- ✓ Resolution No. 1858 in the Treasurers Office for \$2,575.00
- ✓ Resolution No. 1859 in the Clerk of Court for \$100.00
- ✓ Resolution No. 1860 in the Maintenance Department for \$2,500.00
- ✓ Resolution No. 1861 in the Sheriffs Office for \$5.00
- ✓ Resolution No. 1862 in the 9-1-1 Center for transfer of overtime funds
- ✓ Resolution No. 1863 in the Airport for transfer of Airport funds

Commissioner Chilcott seconded the motion and all voted "aye".

In other business the Board held a conference call with Tyler of PBS&J in regard to the fuel spill at the airport and latest invoice.

Tyler stated this site is eligible for reimbursement and thought he had mailed the Commissioners the form for reimbursement from the state. (The reimbursement is half of what is spent). Tyler stated the County needs to pay the invoice total, then they submit the forms to the petroleum fund and hopefully the reimbursement follows. The reimbursement is up to \$17,000.00, but Tyler does not think the amount will go that high. They did find some minor contamination in front of the two tanks where the fueling is

done, but no contamination in the original site location. On a scale of 1-10 the contamination levels are a 3.

Theresa asked if they are going to continue to monitor this site. Tyler stated the contamination level exceeded the risk base level, so they will require more ground water monitoring for at least one year. They need to see if the plume is shrinking or staying the same. His guess is that at this site, the contaminate area will shrink and disappear.

Theresa stated it is important for this last invoice of \$7,133.34 to be part of the approved work plan so the County can be reimbursed from DEQ.

Discussion of the \$7,000 invoice took place. Tyler stated this is for the work they did in March. It is the fieldwork at the site, which included the ground water monitoring and geo-probe monitoring. Tyler stated he would seek approval from DEQ to utilize the current probe, monitoring wells instead of installing new ones. Tyler said the invoices are from the second investigation at the airport and the County agreed to pay them.

Theresa asked if the State petrol fund has reviewed these costs so they are part of the actual clean-up plan. Tyler stated they have not reviewed them yet, but they will and he does not see any reason for them to deny it. He stated the petrol fund runs 1-1 ½ months behind in their reviews.

Commissioner Chilcott asked Tyler if he was in possession of the letters from the State Fire Marshal. Tyler stated Charlie Vandam is in possession of these letters and understands he is working with the Fire Marshal.

Tyler stated he checked with the office manager, Linda, and she said the reimbursement is set up with the State; the county pays the invoices and will ultimately be reimbursed.

In other airport business, Airport Board Chairman Dave Hedditch stated the Airport Board reviewed the Request for Proposals for Engineering Services at the Airport. He stated the Board would like to recommend utilizing Pecci and Associates. He stated the reason to continue with Morrison & Maierle is that they continued to work with Red Caldwell, even though they are not under contract. And Scott has a personal relationship with Harold Mildenerberger and thought the land purchase could be done easier. Scott is very familiar with the conditions at Ravalli County. However, before the last Airport Board meeting, Dave called Scott in regard to the Environmental Assessment, but never got a response. He eventually spoke with Mr. Meyer, who works in the E.A. department who knew the status of the environmental assessment. FAA Administrator John Styba stated to Mr. Meyer they sent the E.A. back to Scott the end of March with many corrections needed. The Airport Board thought the E.A. was on its way to Seattle the end of April. Scott did finally email Dave, stating they would work on it the following weekend. Scott stated the report was on its way to Helena, yet John Styba said they had not received the E.A. The Airport Board became frustrated with Morrison & Maierle and felt they should move to another engineering firm to get some 'more attention' for Ravalli County. Commissioner Lund stated she shares this frustration.

Commissioner Lund made a motion to accept Robert Pecci as the Airport Engineering Firm. Commissioner Chilcott seconded the motion. Discussion of the motion: It was agreed that Morrison & Maierle will finish their responsibilities on the Environmental Assessment and the revision of the Airport Layout Plan and Pecci will be the engineer on any other upcoming projects. Airport Manager Red Caldwell was now present. He noted that Morrison & Maierle has spent part of their own monies on the environmental assessment and they will have to file with the F.A.A. for these monies. Red stated he has not had any problems with Scott Bell; yet the Airport Board has insinuated that Scott was lying about the status of the environmental assessment. Red stated changing the engineers comes at a bad time. Commissioner Chilcott stated all engineers should act in a professional manner and contract extensions should have no bearing on their continued work on the environmental assessment and airport lay out plan. Red stated the AWOS project is also under Morrison & Maierle. All voted "aye".

Dave stated another request from John Styba is a letter asking the Commissioners for a commitment to expand the airport. Dave said John might be thinking about the issue of funding in order to purchase the land at one time, due to the continuing expense of property purchase. Dave stated the Airport Board could put a letter together and have the Commissioners sign it.

Commissioner Chilcott stated he has some concerns about the purchase other properties and expansion; therefore that is a discussion they need to have. Commissioner Lund stated she thought the decision on this property purchase would come after they review the environmental assessment. She stated she is always willing to look at the purchase of property because land values are increasing, but feels more comfortable having the environmental assessment, then reviewing properties and match money. Dave stated the F.A.A.'s part is 95%, with the State's contribution of 2.5%. The remaining 2.5% comes from the county. Commissioner Lund felt they should review this issue with public comment. It was agreed the Commissioners would review an upcoming date for a public meeting on this issue.

Airport Board Member Theresa Eckberg stated she has some concerns about taking public comment on the extension, when this is simply a move of the strip for the separation of the runway, as it is a mandate. She asked if the public comment would be about the extent of the project, not the extension. She stated John Styba is not asking what project the Commissioners want to do, just that the Commissioners do support the F.A.A. requirement for runway separation.

Airport Board Member Betsy Kratofil stated she has asked for a specific letter from the F.A.A. in regard to this issue. Commissioner Lund stated that lends itself to what kind of an airport the county has. Fred stated it is well documented that this is a B-2 airport.

Dave stated they also need to clarify the definition of FBO. He visited with John Styba about this and the minimum standards do not define the FBO as properly as they should.

He stated they are looking at the Gallatin Airport Rules and Regulations, as they have been challenged in court and have withstood the challenge.

In regard to new leases, the Board reviewed the new leases for Steve Wolters on C-1 and C-36. Red stated he has reviewed these leases, but the Board must feel comfortable with the language written on the Commercial Space. It was noted the Airport Board approved these leases. Commissioner Lund made a motion to approve of the leases C-1 for North Star Aviation and C-36 for Steve Wolters' personal hangar for a 20-year lease on each of them. Although it is a personal hangar he could store a jet there overnight, and that is why he filled the commercial line out, to show FBO activities, so he will be in compliance. Dave stated Steve would pay the commercial rate on both sites. Red stated the other issue is the million dollar insurance issue. Commissioner Chilcott said that is noted on the lease. All voted "aye".

The Board also reviewed the lease for Site #508, which was formerly P-3 and P-4, which previously belonged to Paul O'Bagy. Steve stated the plans are for a 2,000-gallon capacity and N.W. Fuels is doing the installation. This is the lease that Commissioner Thompson worked out with Steve, but language was inserted into Commercial Space reading, "use of this commercial space shall be limited to: those services provided by an FBO, including a self-service fuel dispensing system", and language under Exhibit C Paragraph 3D to read "Completion of hanger construction within 18 months after relocation of the self-serve fuel dispensing system. The Commissioners may extend this date following a written application and approval. Relocation of the self-service fuel dispensing system will be at the discretion of the County Commissioners".

Dave stated this language is important because the Commissioners will make the decision on where the tanks need to be located at the completion of the ALP. Civil Counsel reviewed this statement and indicated it is 'an awfully broad statement'. There is no hangar construction; this will only be a 2,000-gallon self-dispensing system with Fire Marshal approval. If expansion occurs in the future, what happens if North Star wants to move this site? Commissioner Chilcott asked why the Commissioners would exercise the authority to mandate a change. Dave said once the airport is expanded, the Commissioners could decide the self-service might be better located elsewhere.

Commissioner Chilcott asked if the other self-dispensing fuel systems had this kind of language. Dave stated it does not, but this will give the Commissioners the option. Commissioner Chilcott stated this one is written as a 10-year lease. James stated the problem with this issue of the skids is to put a shorter-term lease on this. James stated this should be changed to a 5-year lease, which is the same time of lease as Pogo Pumps. He also noted some other language changes that need to be made in order to be consistent.

Mark Fournier stated he has no problem with Steve being allowed a self-service system, but the lease language needs to be consistent, such as the one given to him.

Red Caldwell stated he thought that, while Mr. O'Bagy and Commissioner Thompson were working out the transfer of this lease, this would come back to the Board. He has been told that this area has an active well and this site may not work for this fuel-dispensing system for Steve Wolters.

Environmental Health Director Theresa Blazicevich was now present. She stated they are working on the setbacks and the fuel system needs to be as far away as possible from this well site and always be down gradient. Commissioner Chilcott asked why there was a well on this private-use hangar. It was noted there are many wells located on Airport property. Commissioner Chilcott stated they should weed out the non-compliant uses. Theresa stated the language was to grant the lease for the temporary use of the fuel. The large footprint is needed because Steve plans to build a hangar there in the future. James stated the lease commercial language leaves this to the lessee's option. He still has concern over the new language for relocation at the discretion of the Commissioners.

Commissioner Chilcott stated any vendor needs approval of the Commissioners for any movement of these fuel systems that are on skids. James stated the location should be after removal, rather than after relocation, under Exhibit C, Paragraph 3D, and strike the relocation at the discretion of the County Commissioners. In regard to following this recommendation; James stated the Commissioners should decide if the Airport Board gave the public the ability to comment properly. Also, to state the reason that Pogo Pumps is 5 years and this one is 10 years. Theresa stated they discussed the lease, but not the changes. Commissioner Chilcott said since they heard this they are simply going over the specific terms and they should be able to move forward on this lease.

Mark stated Mr. O'Bagy's lease was not discussed today. Commissioner Chilcott stated this is a new lease.

Steve stated N.W. Fuels is designing this system. There are no guidelines for having to have spill-proof the tanks. He noted this passed the Board and the Commissioners 1 ½ years ago, with location to be determined, but the service is approved. This is defining the location.

Mark stated he does not have a fuel farm. He stated once the site is over 12,000 gallons you need containment, and his does not have to have containment, either.

Commissioner Chilcott said when they approved Big Sky Aviation; they approved it with the thought that it would be 2,000-gallon facility. In subsequent discussions with Pogo Pumps it grew in capacity. They had a concern over the quantity of the fuel next to a taxiway. He stated they felt this was unique in the capacity for what they originally approved. Mark stated they are talking about loading from a tank to a truck. He stated the Commissioners issued certain requirements, but if they are not requiring Steve to do the same things, then he would like that put in the record. Mark stated he had no argument as this is a good way to do it. James said if the lease language is different; it is because of the extra capacity that can justify the extra requirements for the loading and containment.

Theresa stated she is not an expert in Fire codes, but it is a good idea to put in spill containment, as it will probably be a requirement in the future. That will put you 10 steps ahead.

Tex Irwin stated the site Mark has is for 2,000 gallons; it was his recommendation to do the fuel containment, appeasing the Commissioners. He did not have to; he decided to. Mark said the Airport Board made this recommendation. Commissioner Chilcott stated the Commissioners made this request. Mark stated if he hadn't been required to put in containment he would not have spent the money. There is now a 25-gallon spill, which is paid for with public funds. If one person is required to do it, all should be. He agreed to do it as a concession. Mark advised the Commissioners if they have a concern over the 25-gallon spill now; they need to carry that concern on and make it a requirement of everyone one.

Red stated he anticipated this issue coming back to the Board. His discussion on the South boundary of the building occurred with Mr. Evans, who is leasing this hangar. Mark is spaced 45 feet from the Evans' Hangar, and he does not think the 5,000 feet for Steve will work there. Red stated the corner hangar belongs to Keith Evans; it sits south of this proposed hangar.

Commissioner Chilcott said he has a concern about the way the hangar opens onto the taxiway. He stated the County pays for the extra 45'. Red stated the hangar owned by Mr. Evans was built in the 1960's. Commissioner Chilcott stated Mr. Evans has a 40' width to get his plane in so why won't 45' work? Mark said it is because they now use a trail dragger. Mark stated the county "has all this space and are letting Steve do whatever he wants with the 100' or so." He also stated the County should give Mr. Evans the ability to pay more to access his hangar.

Dave Hedditch stated they could not renew the lease with Mr. Evans. Red stated there are approximately 8 years left on the Evans' lease.

Commissioner Chilcott stated there are a lot of questions on this lease. Therefore it needs to be turned over to the Airport Board to review these new issues as follows:

- the 2,000 gallon capacity needs containment,
- define the lease space 50 X 100 and how it relates to Mr. Evans' Hangar.

Theresa Eckberg asked if there are 8 years on the Evans' lease, could Steve's lease also be 8 years. Steve stated that would be fine.

Mark stated Colonel Simpson's concern is fuel containment, size, etc. Why not table this and look at this? He has a five-year lease, which is what the Commissioners stated on all fuel systems. That should be a standard. One of the biggest issues is the well that belongs to Colonel Simpson, who needs input due to his absence.

Red suggested they make this lease contingent upon the Forest Service lease for the S.E.A.T. base on the tankers. Commissioner Chilcott stated he thought they were moving them to the snow equipment building. Red stated they have to find the money to do it.

It was agreed the Airport Board should address this #508 lease with Steve, which is the transfer from O'Bagy. Commissioner Lund made a motion to table any decision on #508 until after the Airport Board re-addresses this. Commissioner Chilcott seconded the motion, and all voted "aye".

Commissioner Lund made a motion to advertise and do the work necessary to move the S.E.A.T. base. Commissioner Chilcott seconded the motion and all voted "aye".

The Board also addressed the two leases for Pogo Pumps. Both were approved in prior meetings, and the fees have all been paid. Red stated they are simply waiting for verification from the F.A.A. on the amendment to the ALP. Red stated he has the amendment for the fuel. There has been no approval from the F.A.A. on the building, which is separate from the fuel system. Regarding #199, Red stated they have received the blessing from the F.A.A. On #195, Red stated they cannot sign the lease until they receive the letter from John Styba. He stated lease #199 has been signed and it is ready for recording.

Red also discussed the fuel storage tank for North Star, in regard to the Fire Marshal. They will need to go south from the pit area to meet the footage requirements. James stated the engineers and Fire Marshal must address this. Steve agreed, as they had discussed this earlier.

Mark stated the taxpayers are paying for the cleanup of the spill, the Fire Marshal is stating this is out of compliance and the Commissioners are still allowing this to occur. Commissioner Chilcott stated the fuel does not have anything to do with the fire Marshal's requirements. Mark said the tax dollars are being spent on this issue, which has gone on for over four years. Commissioner Chilcott stated they are working on this. For some time the Fire Marshal would not even respond; now the Fire Marshal has responded. Mark said the Fire Marshal stated he gave the Commissioners the requirements and they keep calling about it. Commissioner Chilcott said the Fire Marshal wrote a letter a year ago. Mark stated this has gone on too long and the Commissioners should do something about it, with a date to comply. He stated the Commissioners are requiring other people to be up to code, so be consistent. This was not given formal approval at the time.

Red stated he cannot have a lease on this spot, and now if he is hearing it correctly, Commissioner Lund is saying the spot has to go south. Commissioner Chilcott stated they could execute the lease for what is out there right now. Red asked for the space they are occupying. Commissioner Chilcott said when the county obtains the final layout they can add that to the lease. Commissioner Chilcott directed Red to prepare a lease for the site that exists. Commissioner Chilcott said the county has no lease and no revenue for what is there. Currently, Commissioner Lund concurred and said they need to reject the plan Steve turned in. James said any lease will require compliance with the regulations and Steve is aware of any potential changes that might be required. Steve will work with Glenda to put a date on the calendar for the engineers' schedule by the 15th of June.

Commissioner Chilcott advised Red when the lease is prepared on this site; they can recover the revenue for the time it has been used. At the time it was put in, it was the County's responsibility to make sure an FBO was located there. Steve is willing to pay retroactively for the time North Star has been using this.

Red stated he has a small problem with the property purchased by Leonardi. The issue is the deadline for the removal for the buildings, except three. When they changed the assurances, only three of the buildings come under the purview of the Historical Society. The hay shed is the building that must be removed. The lease is with Leonardi and he subleases to Mr. Hale. Mr. Hale would like to utilize the barn to store his hay.

Dave asked if there was a possibility of getting an extension to remove the barn. Red stated he did not know. The length of time (five years) has almost come to an end and needs to be addressed. This is a tin building. Commissioner Chilcott agreed to advertise this for scrap.

Red introduced Page Gough to the Commissioners. Page will be doing work at the airport while Red is gone for 3 months.

In other business the Board held a bid opening for the hot plant asphalt supplies and equipment rental. Commissioner Chilcott read the legal notice noting the proper legal advertisement has occurred.

- ✓ Blahnik (also known as Helena Sand and Gravel)– \$33.39 per ton for 4,500 tons type B asphalt
- ✓ JTL – 4,500 tons at \$35.00 per ton type B asphalt
- ✓ Blahnik for equipment rental notes numerous prices for various pieces of equipment.

Commissioner Lund made a motion to have the Road Supervisor review and make a recommendation to the Board. Commissioner Chilcott seconded the motion and all voted "aye".